

**SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 10, CHAPTER 10
PURCHASE CARD PAYMENTS**

**This is a new Department of Defense Financial Management Regulation
("DoDFMR") chapter.**

SEC/PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
	Consolidates financial management guidance on purchase cards, currently in Chapter 12 of this volume and in Purchase Card Reengineering Memoranda 1-6, and incorporates new legislative requirements.	
100101	Establishes the chapter as the source of payment policy and procedures for the DoD purchase card program. Indicates the location of related policy and procedures within the "DoDFMR."	New
100102	Incorporates and updates current Volume 10, Chapter 12 , paragraph 120301.	Update
100103	Explains responsibility for managing the purchase card program and adds a link to the Purchase Card Program Management Office Internet site, to include the annual training requirement found in Title 10, United States Code (U.S.C.), section 2784(b)(9).	New
100104	Sets forth the purchase card program audit requirements in 10 U.S.C. 2784(b)(8).	New
100201	Identifies the regulations governing use of the purchase card and incorporates waiver policy from Purchase Card Reengineering Implementation Memorandum #3, Change 1.E.1.	New
100202	Incorporates policy on internal controls. Adds cross-references to Volume 10, Chapters 1 and 17 .	New
100202.B	Incorporates policy requiring a credit check prior to issuance of a purchase card pursuant to Public Law 107-248, Section 8149(b).	New
100202.C	States the 10 U.S.C. 2784(b)(7) requirement to conduct an annual review of each cardholder to determine continuing need.	New
100203	Requires that the approving official (AO) is also the certifying officer in the purchase card program unless a waiver is granted.	New
100204	Warns of the penalties for unauthorized use of the purchase card by military and civilian employees set forth in 10 U.S.C. 2784(c)(1) and (2).	New

100205	States the policy on convenience checks if the merchant is unable to process purchase the card.	New
100206	Requires cardholders, AOs, and certifying officers to sign the certification statements in Annex 1 as part of the purchase card reconciliation and payment process.	New
100207.A	Incorporates the payment office designation policy in Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.4.b.	New
100207.B	Incorporates the certification delegation policy in Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.4.c.	New
100208	Incorporates and updates current Volume 10, Chapter 12 , subparagraph 120302.A.	Update
100209	Provides guidance on purchase card rebates and implements the DoD policy to pay commercial purchase card invoices on an accelerated payment schedule. Adds a cross reference to Volume 10, Chapter 2 .	New
100209.B	Incorporates policy regarding purchase card rebates pursuant to Public Law 107-248, Section 8087.	New
100301	Outlines the general responsibilities of individuals involved in the purchase card program. Requires the AO and agency/organization program coordinator (A/OPC) to report suspected cases of fraud or abuse to the Head of the Activity (HA) for investigation. Adds a cross-reference to Volume 5, Chapter 6 , which details the procedures for investigation.	New
100302	Details the basic responsibilities of the HA in the purchase card management process.	New
100303	Details the basic responsibilities of the review official in the purchase card payment process.	New
100304	Details the basic responsibilities of the A/OPC in the purchase card payment process.	New
100305	Incorporates certifying officer responsibilities from Purchase Card Reengineering Implementation Memorandum #1, Change 1.E.	New
100305.A	Incorporates certifying officer responsibilities from Purchase Card Reengineering Implementation Memorandum #1, Change 1.E.2.	New
100305.B	Incorporates the certifying officer definition from Purchase Card Reengineering Implementation Memorandum #1, Change 1.E.1 and 1.E.2.	New
100306	Details AO responsibilities in the purchase card payment process.	New
100307	Incorporates cardholder responsibilities from Purchase Card Reengineering Implementation Memorandum #1, Change 1.F.2.b.	New

100308	Incorporates policy on convenience check account holder responsibilities.	New
100309	Incorporates accountable official responsibilities from Purchase Card Reengineering Implementation Memorandum #1, Change 1.E.1.	New
100309.A	Incorporates accountable official responsibilities from Purchase Card Reengineering Implementation Memorandum #1, Change 1.F.2.	New
100309.B	Incorporates accountable official definitions from Purchase Card Reengineering Implementation Memorandum #1, Change 1.F.2.a.	New
100310	Defines resource manager responsibilities in the payment process.	New
100311	Defines payment office responsibilities in the payment process.	New
100312	Defines disbursing office responsibilities in the payment process.	New
100313	Defines Defense Finance and Accounting Service responsibilities in the payment process.	New
100401	Provides guidance on independent receipt and acceptance in the purchase card payment process.	New
100402	Provides guidance on cardholder review in the purchase card payment process.	New
100403	Provides guidance on AO review in the purchase card payment process. Defines fraudulent, improper, abusive, and questionable transactions.	New
100404.A & 100404.B	Incorporates payment certification procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.4.a.	New
100404.C	Incorporates payment certification procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.4.d.	New
100404.D	Provides guidance on reporting suspected fraudulent, improper, abusive, and questionable transactions to the A/OPC.	New
100404.E and F.	Incorporates payment certification procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.4.e.	New
100405	Incorporates delayed dispute procedures for receipt and acceptance from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.5.c.3.	New
100406	Incorporates billing statement payment procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.5.b.2.	New

100406.A 100406.B	Incorporates and updates current Volume 10, Chapter 12 , paragraph 120304.	Update
100407	Incorporates dispute procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.5.b. and incorporates and updates current Volume 10, Chapter 12 , subparagraph 120302.B.	New
100407.A	Incorporates payment dispute procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.5.c.	New
100407.B	Provides payment dispute procedures.	New
100407.B.1	Incorporates payment dispute procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.5.c.1.	New
100407.B.2	Incorporates payment dispute procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.5.c.4.	New
100408	Incorporates waiver process procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.E.2 and Change 1.E.3.	New
100409	Incorporates summary accounting procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.2.a	New
100410	Incorporates summary accounting procedures from Purchase Card Reengineering Implementation Memorandum #3, Change 1.D.2.b	New
1005	Incorporates and updates convenience check procedures from Volume 5, Chapter 2 .	Update
Annex 1	Incorporates purchase card certification statements from Purchase Card Reengineering Implementation Memorandum #1, Change 1.	New
Annex 2	Provides a checklist for AO use in completing the cardholder billing statement reconciliation, receipt and acceptance, and dispute procedures described in the chapter.	New

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CHAPTER 10**PURCHASE CARD PAYMENTS****1001 OVERVIEW**

100101. This chapter establishes command, supervisory, and personal responsibilities within the Department of Defense (DoD) for financial management of the government purchase card program.

A. The chapter supplements general payment policy and procedures in [Chapter 1](#) of this volume.

B. The policy and procedures on late payment interest are in [Chapter 7](#) of this volume.

C. The policy, standards, and controls to be used when electronically receiving and processing purchase card transactions are in [Chapter 17](#) of this volume.

D. Additional Internal Revenue Service Form 1099 Miscellaneous Income (1099-MISC) reporting requirements and procedures are in [Chapter 6](#) of this volume.

E. Standards for recording obligations for the transactions in this chapter are in [Volume 3, Chapter 8](#), of this Regulation.

F. The capitalization threshold and accountability requirements for property, plant, and equipment purchased are in [Volume 4, Chapter 6](#), of this Regulation.

G. Purchase card accountable officials and purchase card certifying officers are pecuniarily liable for illegal, improper, or erroneous payments, unless liability is waived. Requirements and procedures for accountable officials and certifying officers are in [Volume 5, Chapter 33](#), of this Regulation. Policy and procedures for the investigation of suspected erroneous payments are in [Volume 5, Chapter 6](#), of this Regulation.

100102. The Department utilizes third party card-issuing banks to support the purchase card program. The card-issuing banks provide a commercial purchase and payment service that replaces the paper-based, time-consuming purchase order process, thereby eliminating procurement lead-time, providing transaction cost savings, reducing procurement office workload, and facilitating payment. The suite of services offered by the card-issuing banks also includes a web-based electronic invoicing, statement review, and approval and certification process. Purchase cards are used by cardholders to make and/or pay for authorized government purchases, subject to established limitations on transaction amount, billing cycle amount, and merchant category codes. A purchase card charge authorizes the card-issuing bank to make immediate payment to the vendor or contractor consistent with the applicable card association regulations. An authorized purchase shall be defined as a purchase that satisfies a bonafide need at a fair and reasonable price that meets all

legal and regulatory requirements. Any misuse of the government purchase card is subject to administrative and disciplinary actions, as described in paragraph 100204, below.

100103. The Office of the Under Secretary of Defense for Acquisition, Technology and Logistics is responsible for oversight of the purchase card program. The Purchase Card Program Management Office (PCPMO) reports to the Director of Defense Procurement and Acquisition Policy and is responsible for policy formulation, procedural guidance, and operational oversight of the card program administered by the Components. Purchase card policy letters and other documents are available from the PMO web site on the Internet at <http://purchasecard.saalt.army.mil/>.

100104. The DoD purchase card program is subject to periodic audits, pursuant to Title 10, United States Code (U.S.C.), section 2784(b)(8), by the Inspector General of the Department of Defense and the Service audit agencies, to determine whether the program is in compliance with applicable regulations.

1002 POLICY

100201. General. All cardholders shall use the purchase card for authorized purchases in accordance with Federal Acquisition Regulation (FAR), Part 13; Defense Federal Acquisition Regulation Supplement (DFARS), Part 213; the current contract and applicable task order; and this Regulation. The Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) may grant waivers to these policies for card use in contingency operations and for exceptional circumstances. See paragraph 100408, below, for procedures related to the waiver process.

100202. Internal Controls. Managers at all levels shall maintain effective internal controls within the purchase card program. The management accountability and internal control requirements prescribed by the PCPMO along with those outlined in [Chapters 1 and 17](#) of this volume shall apply to the operation of a DoD Component purchase card program. In order to maintain effective internal controls, approving officials (AOs) (also known as billing officials) and certifying officers may not perform the functions of convenience check custodian or cashier. The following controls shall be maintained:

A. Data and System Access. Cardholder, AO, Agency/Organization Program Coordinator (A/OPC), and resource manager (RM) access to government and card-issuing bank purchase card data and processing systems shall be limited to that necessary to accomplish required tasks. Upon transfer of such personnel to other duties or departure from the organization, the card-issuing bank shall be notified and all access rights terminated. In addition, upon the transfer of such personnel, the payment office and any other organizations shall be notified.

B. Minimize Cardholders. Purchase cards shall be issued to DoD personnel only as mission requirements warrant. Only those personnel with a continuing need to use the purchase card shall be cardholders. Cardholders who transfer to other duties or organizations,

retire, or leave government service shall return assigned charge cards to the AO or A/OPC, who shall ensure that those card accounts are closed. The A/OPC shall perform an annual review in accordance with 10 U.S.C. 2784(b)(7), to determine whether each cardholder has a continuing need for the purchase card. Purchase card accounts that have not been used in the previous 6 monthly billing cycles shall be cancelled, unless the supervisor submits an acceptable justification to the A/OPC.

C. Compromised Account Numbers. If an account number is compromised, or if a card has been lost or stolen, then the cardholder, AO, or A/OPC immediately shall notify the card contractor to close the account.

D. Spending Limits. The A/OPC, in coordination with RMs, shall set and maintain each cardholder's spending limits based on estimates of purchase requirements for the period or a budgetary limit. A/OPCs and RMs also will provide guidance to the cardholder on any legal or regulatory restrictions on the funds provided.

E. Merchant Category Codes (MCC). The PMO shall block purchases from merchants identified by MCCs deemed to be inappropriate sources for government purchases. The A/OPC shall further tailor cardholder MCC blocking to specific cardholder needs.

F. Monthly Review. AOs shall review each cardholder's billing statement every month to verify that the cardholder was authorized to purchase the items, the government has received the items (see paragraph 100403, below), and all accountable property (including pilferable as defined by the DoD Component) and other qualifying items have been properly recorded on government property accountability records in accordance with local procedures.

G. Approving Official Span of Control. Except under unusual circumstances, the AO shall be the cardholder's immediate supervisor or otherwise in the cardholder's chain of command. Each AO shall have a reasonable span of control over cardholders so that he or she can review completely and reconcile the cardholder statements to the monthly billing statement within 5 days of receipt. Approving officials should not be responsible for more than 7 cardholders (total in all accounts).

H. Independent Verification of Receipt. The receipt and acceptance of services and accountable property (to include sensitive, classified, and pilferable) shall be documented by other than the cardholder. A signature, from an individual other than the cardholder, shall be recorded on the sales invoice, packing slip, bill of lading, or other shipping or receiving document as confirmation of receipt. The name of the individual confirming receipt shall be recorded in the cardholder purchase log. Local procedures may require additional items (e.g., based on cost) to require evidence of receipt by other than the cardholder. The AO shall verify the existence of receipt and acceptance documentation (e.g., hand receipts for accountable property). The AO also may physically verify receipt and acceptance.

I. Cardholder Purchase Log. Each cardholder shall maintain a purchase log (electronic or paper) and make log entries immediately after completing a purchase. The

required elements of the purchase log are:

1. Transaction Date
2. Merchant
3. Item Description or Services Ordered
4. Amount
5. Date of Receipt
6. Received or Accepted By.

100203 Purchase Card Approving Official. The AO also shall be appointed as a purchase card certifying officer for his or her cardholders and shall sign or execute, if electronic, the appropriate payment certification to the payment office. The AO, in this capacity, shall perform the duties listed in paragraph 100306, below. Any request for an exception to this policy shall follow the waiver procedures in paragraph 100408, below.

100204. Penalties for Unauthorized Use of the Purchase Card. Commanders and supervisors at all levels shall ensure compliance with this chapter. Military and civilian personnel who violate the provisions of this chapter are subject to administrative and disciplinary action. In addition, willful misuse of the government purchase card by military personnel or DoD civilian employees may constitute a crime, punishable under federal or state law. Any use of the government purchase card by any individual for other than official purposes, is prohibited and may be the subject of administrative or disciplinary action. Any misuse of the purchase card may be considered an attempt to commit fraud and may result in the immediate cancellation of the purchase card, as well as action to hold the cardholder and/or AO pecuniarily liable for the amount of any transactions that were not for official purposes. Under Title 18, United States Code, the misuse of the purchase card could be an offense that is punishable by a fine of not more than \$10,000, imprisonment for not more than 5 years, or both. Military and civilian personnel also are subject to the penalties defined below:

A. Military personnel who violate the specific prohibitions contained in this chapter can be prosecuted under Article 92 of the Uniform Code of Military Justice (UCMJ), 10 U.S.C. 892, for failure to obey a lawful order or regulation, as well as any other applicable article of the UCMJ based on the nature of the misconduct involved.

B. Civilian personnel who misuse, abuse, commit fraud, or otherwise are negligent with the government purchase card may be subject to disciplinary action up to, and including, removal from the federal service for a first offense.

100205. Merchant Unable to Process the Card. If the vendor offering the goods or services does not accept or have the ability to process the purchase card, and no other merchants

are available, convenience checks may be used to pay for those goods or services. A DoD activity may use convenience checks upon appropriate justification and approval according to the procedures in section 1005, below.

100206. Certification Statements

A. Cardholder. The cardholder shall take timely action to reconcile and annotate each statement of account against supporting documentation or data following the procedures in section 1004, below. The cardholder shall complete his or her review by signing or executing, if electronic, the cardholder certification statement, a copy of which is at Annex 1 of this chapter.

B. Approving Official. The purchase card AO, when acting as an accountable official, shall review the itemized charges for potentially fraudulent, improper, abusive, or questionable transactions for each cardholder and complete his or her review by signing the AO certification statement, a copy of which is at Annex 1 of this chapter.

C. Certifying Officer. The certifying officer shall receive and approve for payment each purchase card billing statement by signing or executing, if electronic, the purchase card certifying officer certification statement, a copy of which is at Annex 1 of this chapter. (NOTE: Unless otherwise approved by the Deputy Chief Financial Officer (DCFO), each AO shall be appointed as the certifying officer for purposes of certifying billing statements for payment.

100207. Delegation. To affect purchase card invoicing at the AO level, DoD Components shall:

A. Designate each billing office and applicable AO within the Component's activities (rather than a Defense Finance and Accounting Service (DFAS) site) to receive the official purchase card billing statements.

B. Delegate the authority to certify official purchase card billing statements pursuant to 31 U.S.C. 3325 and [Volume 5, Chapter 33](#) of this Regulation.

100208. Documentation. In accordance with 10 U.S.C. 2784(b)(6) and this Regulation, appropriate documentation, paper or electronic, shall be maintained at all levels to support the integrity of the purchase card program and facilitate the reconciliation and payment of purchase card transactions. Supporting documentation may include copies of cardholder statements, charge tickets, credit slips, receipts, the cardholder purchase log, invoices, delivery orders, approvals, requisitions, cross references to any related blanket purchase agreements, and telephone and mail order logs.

A. Cardholders shall establish clear audit trails for purchase card transactions by maintaining a purchase log and other documentation, paper or electronic, to support each purchase and shall make cardholder statements and supporting documentation available to the AO or certifying officer.

B. The AO or certifying officer shall maintain certified billing statements and supporting documents for 6 years and 3 months (10 years from the date of case closure for Foreign Military Sales) in accordance with [Volume 1, Chapter 9](#), of this Regulation. Cardholder statements, logs, receipts, and "tickets" may be disposed of three years after final payment if the applicable purchases are within the micro purchase threshold (currently \$2,500) in accordance with FAR 4.805. If the documentation supports purchase card transactions greater than the micro purchase threshold, the documentation shall be maintained for a period of 6 years and 3 months.

C. The card-issuing bank shall store cleared convenience checks in accordance with the FAR 4.703. By contract, the card-issuing bank is the document repository as it relates to all transactions. The card-issuing bank maintains electronic records of all transactions that exceed \$25,000 for 6 years and 3 months after final payment and, for all transactions less than \$25,000, for 3 years after final payment. See section 1005 below for procedures related to convenience checks.

100209. Purchase Card Rebates

A. Timely payment is a purchase card rebate computation factor. Purchase card billing statements should be paid as soon as administratively possible when the rebate offered is greater than the cost of funds as defined in Title 5, Code of Federal Regulations, section 1315.8. Billing statements shall be paid for the amount certified.

B. Pursuant to Public Law 107-248, Section 8087, refunds attributable to the purchase card may be credited to operation and maintenance accounts that are current when the refunds are received for fiscal year 2003, and for all years thereafter for which there are successor provisions.

1003 RESPONSIBILITIES

100301. General. Every individual involved in the purchase card process shall report suspected improper or prohibited use of the purchase card through the proper channels. The AO and/or A/OPC shall report allegations of fraud or abuse to the senior local commander or director for investigation under provisions of [Volume 5, Chapter 6](#), of this Regulation. Commanders and supervisors at all levels have the authority and the responsibility to ensure that military personnel and civilian employees under their supervision do not misuse assigned DoD purchase cards. Commanders and supervisors may be held accountable for failing to take immediate action to address any improper or prohibited use of the purchase card.

100302. Head of the Activity (HA). The HA is the military officer in command or the civilian executive in charge of an activity. The HA has overall responsibility for implementing the policies in section 1002, above, and managing the delegation and use of the purchase card program. This individual has disciplinary authority over cardholders and AOs and shall investigate all allegations of fraudulent, improper, abusive, or questionable transactions.

The HA shall establish procedures for the activity that will permit the rapid investigation and resolution, especially of abusive or questionable transactions, so that a timely decision on whether to pay for the transaction can be made. The HA shall convene or order an investigation in accordance with [Volume 5, Chapter 6](#), section 0607, of this Regulation. The HA shall take all appropriate actions as a result of each investigation. The HA shall, when delegated authority by the Head of the DoD Component:

A. Appoint a knowledgeable and independent review official (RO) in accordance with [Volume 5, Chapter 33](#), of this Regulation

B. Appoint A/OPCs and AOs.

100303. Review Official. The RO official is the individual appointed by the HA (or designee) to perform prepayment and postpayment reviews of payments certified by the certifying officer and perform other duties in accordance with [Volume 5, Chapter 33](#), section 3308 of this Regulation. The A/OPC may not be appointed as the RO. The RO shall not serve concurrently as an accountable, certifying, or disbursing official. The RO shall:

A. Issue an inquiry to the certifying officer for a certified proposed payment, or an actual payment that is suspected as being of questionable legality, propriety, or correctness.

B. Maintain a file of all inquiries from the review process or received from other sources.

C. Ensure that all inquiries are resolved within 30 calendar days.

D. Make the initial determination of questionable certification and coordinate as necessary with the installation or activity financial manager, fiscal attorney, and/or the supporting DFAS site to render a decision on questionable legality, propriety or correctness of the certification.

E. Refer any determination of questionable legality, propriety, or correctness in accordance with the procedures in [Volume 5, Chapter 33](#), of this Regulation.

F. Bring charges against the applicable accountable official and the certifying officer who are liable, if an inquiry fails to establish that a payment was legal, proper, and correct.

G. Forward copies of final reports with findings to the HA, the DoD Component Purchase Card Program Coordinator, and the DoD Component senior financial manager.

100304. Agency/Organization Program Coordinator. The A/OPC is the individual appointed by the HA to be responsible for the management, administration, and day-to-day operation of the purchase card program at the activity. The A/OPC's responsibilities include, but are not limited to:

- A. Accepting nominations for AOs and cardholders, ensuring AOs and cardholders receive the required training, and issuing delegation letters to AOs and cardholders.
- B. Obtaining and forwarding the completed DD Form 577, "Signature Card" and appointment letters for certifying officers to the applicable DFAS site, or other supporting paying office.
- C. Processing purchase card applications; maintaining a current listing of all cardholders and AOs under their jurisdiction; retrieving cards and closing accounts upon abuse or misuse of card privileges, compromise of account information, card loss, or cardholder departure; and annually determining each cardholder's continuing need to maintain an account.
- D. Managing purchase card account profiles to properly reflect transaction, cycle amount, and merchant category code limitations.
- E. Developing and implementing local procedures.
- F. Maintaining records of all required training for AOs and cardholders.
- G. Maintaining an appropriate span of control between AOs and cardholders.
- H. Assisting cardholders and AOs in efficiently fulfilling their responsibilities.
- I. Monitoring card issuing bank transaction reports during the billing cycle to disclose potential prohibited or improper use, and taking immediate action to address suspected legal or policy violations.
- J. Conducting the annual on site program review of each assigned AO, to include control log reviews, transaction testing (including convenience checks), and document examinations involving at least 25 percent of the assigned billing accounts; directing any required corrective action; and reporting any suspected improper, abusive, or questionable use of the purchase card to the HA.
- K. The A/OPC shall report all allegations of fraudulent, improper, abusive, or questionable purchase card use to the HA.
- L. Maintaining appropriate separation of duties between purchase card officials to the greatest extent possible (e.g., AOs shall not be cardholders within the same billing account, property book officers shall not be cardholders with authority to purchase accountable items, resource or budget managers shall not be cardholders or AOs with responsibility for executing their own funds).

100305. Purchase Card Certifying Officer. The certifying officer is the individual

responsible for the accuracy of payments, including designation of the proper appropriations(s) or other funds, certified to the payment office and disbursing officer. The certifying officer is liable for an illegal, improper, or incorrect payment processed by the Department as a result of an inaccurate or misleading certification. The certifying officer minimum qualifications and eligibility are discussed in [Volume 5, Chapter 33](#), sections 3304 and 3305 of this Regulation.

A. Purchase card certifying officers are responsible for:

1. Ensuring that transactions meet the legal requirements for authorized purchase card purchases.
2. Ensuring that adequate documentation is available for individual transactions and cardholders have reconciled all transactions with purchase log entries.
3. Ensuring the facts presented in documents for payment are complete and accurate to include designation of the proper appropriation(s) or other funds.
4. Taking appropriate action to prevent submission of duplicate invoices for the same transaction.
5. Ensuring that all items and services have been received, or if they have not been received, that procedures are in place to ensure that transactions for items or services not received by the next billing cycle are disputed within the designated dispute timeline.
6. Implementing dispute procedures when transactions are questioned. See section 100407 below for further details.
7. Certifying and forwarding to the entitlement office for timely payment processing, the official invoice, including the written certifying officer certification statement found in Annex 1 of this chapter, following the procedures in paragraph 1004 of this chapter.
8. Reporting suspected cases of fraudulent, improper, abusive, or questionable purchases to the A/OPC.
9. Ensuring billing statement invoice transactions are reallocated to other accounting classifications, if necessary, prior to the actual certification of the invoice.

B. Unless otherwise approved by the DCFO, certifying officers also shall be AOs and perform the duties defined in paragraph 100306, below.

100306. Approving Official. The AO is the individual, appointed by the HA or designee and usually in the cardholder's supervisory chain, who has oversight responsibility for a number of cardholders to ensure that transactions are necessary and for official government purposes only. The AO, when not serving as the certifying officer, is an accountable official as

defined in paragraph 100309, below. The AO's responsibilities include, but are not limited to:

- A. Recommending purchase card dollar and merchant category code limits to the A/OPC for cardholders under their purview.
- B. Ensuring each cardholder fulfills his or her responsibilities.
- C. Reviewing/reconciling his or her cardholder's statements and approving the statement when the cardholder cannot perform this function.
- D. Verifying all transactions were necessary government purchases in accordance with the FAR, DFARS, and all other government agency policy and procedures.
- E. Signing the AO certification statement and forwarding the certification statement to the purchase card certifying officer, for appropriate action.
- F. Retaining a copy of the billing statement and maintaining all original supporting documentation (e.g., receipts, logs, invoices, delivery orders, approvals).
- G. Reporting suspected cases of fraudulent, improper, abusive, or questionable transactions to the certifying officer and the A/OPC; and taking action as necessary to investigate and resolve these transactions.
- H. Tracking purchases paid for but not received and disputes, ensuring that the government's interests are protected.
- I. Signing and dating the billing statement and forwarding it to the certifying officer.
- J. Resolving any questionable purchases with the cardholder.
- K. Notifying the A/OPC to close the account of any cardholder that has transferred, terminated, retired, or is in absent without leave status.
- L. Notifying the A/OPC of any planned AO reassignment to other duties or departure from the installation or activity.
- M. Notifying the A/OPC of any lost/stolen cards (in addition to the cardholder notifying the card-issuing bank).
- N. Completing required initial and refresher training in accordance with PMO requirements.

100307. Authorized Cardholder. The cardholder is the individual nominated by the supervisor and accepted by the A/OPC, who is designated by an agency to be a purchase

cardholder or convenience check account holder. The cardholder is an accountable official as defined in paragraph 100309, below. The card bears the individual's name and can be used by that individual to pay for official purchases in compliance with agency internal procedures. A cardholder's responsibilities include, but are not limited to:

- A. Completing required initial and refresher training in accordance with PMO requirements.
- B. Screening for required sources of supply and rotating vendors.
- C. Maintaining a purchase log.
- D. Verifying receipt/acceptance of goods or services.
- E. Notifying the Property Book Officer of all accountable property acquired.
- F. Maintaining receipts and other supporting documentation during the billing cycle and forwarding such documentation along with the cardholder statement to the AO.
- G. Reviewing and reconciling all transactions posted to his or her account throughout the billing cycle to maximize rebates and avoid prompt payment interest with supporting documents. In addition, a cardholder shall sign the certification statement found in Annex 1, below, and forward it to the AO and/or purchase card certifying officer.
- H. Resolving invalid transactions with vendors, tracking any purchases billed but not received and disputing unresolved invalid transactions or transactions on which charges occurred during the prior billing cycle but the items have not been received. (Procedures for handling disputed transactions are in paragraph 100407, below.)
- I. Ensuring that all transactions are necessary to meet agency requirements and are consistent with law and regulations. The cardholder will seek the advice of the AO or resource manager if uncertain.
- J. Maintaining physical security of the card to preclude compromise.
- K. Notifying the card-issuing bank if the purchase card or convenience checks are lost or stolen.
- L. Notifying the A/OPC to terminate the card upon reassignment to other duties or departure from the installation or activity.
- M. Ensuring funds are available prior to making the purchase.

100308. Convenience Check Account Holder. The convenience check account holder is a military member or civilian employee appointed by the HA or his designee to inscribe

(print), sign, and issue checks. The convenience check account holder also shall be responsible for ordering, receiving, storing, inventorying, reconciling and disposing of check stock. Convenience check procedures are in section 1005, below. The convenience check account holder shall comply with the Internal Revenue Service Form 1099 Miscellaneous Income (1099-MISC) reporting requirements in section 100504, below.

100309. Purchase Card Accountable Officials. For the purposes of this Regulation, an accountable official is the military member or civilian employee designated in writing and not otherwise accountable under applicable law, who provides source information, data or service to a certifying or disbursing officer in support of the payment process. A purchase card accountable official is responsible for attesting to the accuracy of information and data provided to a purchase card certifying officer in support of a payment to the card-issuing bank.

A. Purchase card accountable officials shall be accountable and pecuniarily liable for the erroneous payments that result from inaccurate information and data, including designation of the proper appropriations(s) or other funds provided to a purchase card certifying officer, if the erroneous payment is the result of negligence relative to the performance of assigned duties.

B. The AO shall be an accountable official when not appointed as the purchase card certifying officer. When appointed collaterally, the AO may perform both functions as stated in paragraph 100404, below.

100310. Resource Manager. The RM is the individual designated by an agency to enter formal commitments and obligations into the accounting system. The RM is responsible for, but not limited to:

A. Coordinating funding and spending limits with AOs and A/OPCs, to include providing advice on legal or regulatory constraints on the use of funds.

B. Providing AOs/cardholders official notification of funding.

C. Assigning default and alternate lines of accounting as appropriate and in coordination with the A/OPC, entering them in the card issuing bank's system for electronic invoicing, receipt, and processing.

D. Providing reallocation authority to cardholders. The process of reallocation, which gives the cardholder the capability to select different lines of accounting for a transaction rather than the default line, is set up by the cardholder's supporting RM.

E. Receiving and correcting invoice rejects with the A/OPC's assistance.

F. Assisting with resolving accounts in a delinquent status and providing payment information when requested.

100311. Payment Office. This is the office that entitles the payment request. The payment office shall validate that sufficient funds have been obligated, determine any prompt payment interest and penalties due, and pay the billing statement. The payment office shall not replicate the reconciliation process before making payment on certified purchase card billing statements. The payment office verifies that the line item detail on invoices matches the amount certified for payment. If a discrepancy occurs, the certifying officer is notified. The payment office is responsible for, but not limited to:

- A. Establishing a contract number for each account in the entitlement system.
- B. Notifying the installation A/OPC when corresponding electronic files or hard copy invoices are not received.
- C. Notifying the installation A/OPC and RM within one business day, of invoices that are rejected, including a detailed reason for the reject. Rejected transactions will be processed using the Standard Document Number and contract number of the original transaction, as applicable.
- D. Computing interest penalties for late payments in accordance with standards in [Chapter 7](#) of this Volume.

100312. Disbursing Office. This is the office that receives the certifying officer appointment letters for file retention and makes payments to the card-issuing bank. The disbursing office will not replicate the reconciliation process before making payment on certified purchase card billing statements. The disbursing office verifies that line detail on invoices matches the amount certified for payment. If a discrepancy occurs, the certifying officer is notified.

100313. The DFAS. The DFAS is responsible for providing miscellaneous income reporting services to convenience check account holders as described in paragraph 100504, below.

1004 PROCEDURES FOR STATEMENT RECONCILIATION AND CERTIFICATION

100401. Receipt and Acceptance. The cardholder shall ensure independent verification of receipt and acceptance of services and accountable property purchased, as indicated in subparagraph 100202.I, above.

100402. Cardholder Review. The cardholder's statement from the card-issuing bank details all the transactions posted against his or her account through the end of the billing cycle.

- A. Each cardholder shall reconcile his or her statement against supporting documentation. The cardholder shall review the statement for billing errors, improper transactions, and fraudulent transactions; and dispute such transactions with the merchant. If the

cardholder cannot obtain a credit for the disputed item from the merchant, the cardholder shall officially dispute the transaction with the card-issuing bank following the procedures in paragraph 100407, below. The dispute must be filed no later than 60 days following receipt of the invoice posting the disputed transaction. The cardholder shall annotate instances of non-receipt for recently ordered goods or services on each statement.

B. The cardholder shall sign or execute, if electronic, the cardholder certification statement in Annex 1 of this chapter and forward the cardholder statement, supporting documentation, and the cardholder certification statement to the AO for appropriate action.

C. If the cardholder cannot review the statement upon receipt (e.g., due to leave or business travel), then he or she shall make his or her cardholder statement and supporting documentation available to the AO or certifying officer for timely review.

100403. Approving Official (as Accountable Official) Review

A. The AO shall review the itemized purchases for each of his or her cardholders. The AO shall verify supporting documentation on various cardholders' transactions. The AO shall review each cardholder statement for potentially fraudulent, improper, abusive, or questionable transactions and report such transactions to the certifying official (if a different individual), the A/OPC and the HA, following the investigation and resolution procedures established by the HA.

1. Fraudulent Transaction. This is a transaction made by an unauthorized or authorized individual that is intended for personal use. Fraudulent transactions only include those transactions for which there are facts to indicate that the transactions were fraudulent at the onset. Those may include such facts as the identity of the purchaser (e.g., an unauthorized user), the nature of the items purchased (e.g., items that are personal in nature and not likely to be a government requirement –jewelry, furs, adult entertainment, personal audio-visual items), or other facts (e.g., the address to which items were sent). Transactions that were otherwise proper government purchases, but where the item or service was later stolen or converted to personal use, are not fraudulent transactions for purposes of this section. The charge card contractor should be reimbursed for this category of transactions, although the AO and A/OPC shall take appropriate action to investigate, seek restitution, and take corrective and disciplinary action as required.

2. Improper Transaction. This is a transaction intended for government use that is not for a purpose permitted by law or legally required regulation. Examples include purchases that by law cannot be made with funds available to the DoD. If the AO does not have funds available for the particular transaction, but available funds exist elsewhere in the DoD, the AO will seek the assistance of the RM in obtaining appropriate funds and then reimburse the card-issuing bank.

3. Abusive Transaction. This is a transaction that was authorized,

however, the transaction was at an excessive cost, for a questionable government need, or both. Examples include items or services that are centrally managed for which approval for local purchase has not been obtained, items or services purchased for legitimate government requirements but which exceed those requirements (“gold-plated” items), and items or services that the cardholder was not authorized to purchase but which could have been purchased by an authorized contracting officer. The government must have received a benefit.

4. Questionable Transaction. This is a transaction for which there was insufficient documentation to determine whether it was in support of a valid requirement.

B. After following the investigation and resolution procedures established by the HA, the AO shall take appropriate action to resolve the matter. That action may include the following:

1. For fraudulent transactions, the AO shall dispute payment and refer the matter to the chain of command for appropriate disposition. Appropriate disciplinary or corrective action must be considered with regard to the cardholder. Depending upon the nature of the item or service, the AO should consider whether additional procedures should be put into place to preclude future like purchases. For example, the AO should consider whether this category of merchant should be barred from card use by some or all of the cardholders under the AO’s supervision. Procedures for handling disputed transactions are in paragraph 100407, below.

2. For abusive transactions, and after coordination with the legal office, the AO shall authorize payment for any items that cannot be returned, and pursue corrective or disciplinary action as necessary to preclude future such transactions. Corrective action may include additional training for the cardholders and the institution of local procedures.

3. For questionable transactions, and after consultation with the legal office, the AO shall determine as rapidly as possible whether there is fraud or an improper transaction. The AO shall not certify these transactions for payment until the issue of fraud or impropriety has been resolved. The mere lack of supporting documentation will not trigger a finding of fraud or impropriety unless the identity of the item or service or other facts would lead a reasonable person to believe that this was a fraudulent or improper transaction.

C. The AO’s billing statement from the card-issuing bank summarizes the billing cycle activity for each of his or her cardholders. The AO shall reconcile the cardholders’ statements to the billing statement. The AO shall take appropriate action as described above with regard to any fraudulent, improper, abusive, or questionable transactions, annotate any suspected improper or prohibited use of the purchase card and sign or execute, if electronic, the AO certification statement found in Annex 1 of this chapter for the rest of the transactions.

100404. Certifying Officer Review. The AO’s/certifying officer’s billing statement is the official invoice for payment purposes.

A. When the AO is appointed collaterally as the certifying officer, he or she

shall complete the procedures in paragraph 100403, above.

B. The certifying officer shall review, certify (either manually or electronic signature using the statement in Annex 1 of this chapter) authorized transactions, and forward the billing statement to the designated payment office.

C. The designated payment office must receive the certified billing statement as soon as possible, but not later than 15 days after receipt of the invoice.

D. The certifying officer shall not certify a known or suspected fraudulent transaction or improper transaction. The certifying officer shall refer all fraudulent, improper, abusive, or questionable transactions to the AO and A/OPC for investigation and resolution as described above.

E. Should the certifying officer fail to receive the certification(s) from the cardholder(s) or AO(s) in sufficient time to allow for the billing invoice to be paid timely, then the billing invoice shall be annotated, certified, and forwarded for payment. The certifying officer shall then follow-up with the delinquent cardholder(s) or AO(s) to ensure that the cardholder statement reconciliation is accomplished. The cardholder reconciliation and related processing of disputed items shall occur no later than the next billing cycle. The certifying officer is responsible for ensuring that timely cardholder reconciliation and processing occur.

100405. Payment Without Receipt and Acceptance. The AO shall be responsible for tracking cardholder transactions that have been certified for payment without proof of receipt and acceptance. The AO shall review each such transaction with the cardholder to confirm acceptance and receipt and reconcile with the billing statement no later than the next billing cycle. If receipt and acceptance cannot be confirmed, then the cardholder shall dispute the transaction in accordance with paragraph 100407, below.

100406. Payment of the Certified Billing Statement. The designated payment office shall pay card invoices upon receipt of the certified billing statement with attention paid to the prompt payment clock which starts when the invoice is made available to the government on the contractor's web site. This is distinctly different from the common procedure of transmitting the invoice.

A. The payment office shall receive an annotated and signed copy of each AO's billing statement or the certified payment voucher in the approved electronic format.

B. The payment office shall ensure that only the amount certified for payment by the certifying officer is processed for payment.

100407. Disputed Transactions. The payment office shall pay card invoices promptly except in the case of fraudulent or improper transactions. Post-payment verification of receipt and acceptance of goods and services is permitted in accordance with paragraph 100405, above. Reconciliation of discrepancies may occur after the payment of invoices, so long as the

card contractor is notified by disputing the transaction within 60 calendar days of receipt of the invoice. To dispute a transaction, complete and process a bank dispute form (electronically or in paper), attach the dispute form to a copy of the cardholder statement, and notify the card-issuing bank.

A. The AO shall be responsible for tracking disputed transactions until resolution.

B. Refrain from disputing transactions for instances of non-receipt for recently ordered goods that appear on the cardholder statement. Rather:

1. Contact the vendor to validate that shipment has been made. For cases of non-shipment, items shall be disputed officially only if the merchant fails to credit the account in the next billing cycle.

2. Dispute any remaining discrepancies within 60 days of the billing statement date on which the original billing of the transaction occurred, as provided under the GSA SmartPay Contract.

C. Refrain from disputing improper, abusive, or questionable transactions made by the cardholder if the card-issuing bank is entitled to payment. Rather:

1. Annotate the instance on the billing certification

2. Report the transaction to the A/OPC for reporting to the HA.

100408. Waiver Process. Requests for deviations from, or exceptions to, the policies and procedures in this chapter shall be submitted through, and evaluated by, the DoD Component senior financial manager or designee. Waiver requests endorsed by the DoD Component Headquarters shall be forwarded to the DCFO for consideration. Such requests shall contain adequate justification and demonstrate the need for a waiver or exception to the specific policy.

100409. Summary Accounting. To reduce transaction processing fees, DoD activities shall summarize disbursing data to preclude any duplication of lines of accounting (LOAs) before submitting certified billing statements and accounting data to the payment office for entry into the supporting vendor pay, disbursing, and accounting systems. Specifically, DoD activities shall “roll up” disbursing data by LOA to eliminate duplicate LOAs on one certified billing statement. AOs shall ensure complete summarization of billing statements with no duplicate LOAs prior to certification and submission of the billing statements for payment. The following methods shall be used to facilitate summary level accounting:

A. Employ the minimum number of LOAs per purchase card to satisfy mission requirements.

B. Devise AO and cardholder relationships so that, to the maximum extent possible, the resulting purchase card billing statements comprise multiple purchase cards citing the same LOA.

C. Use the object class that is most appropriate for the types of micro purchases made with the card.

100410. The level of appropriation data summarization shall be consistent with the advance reservation of funds and the data for entry into the vendor pay, disbursing, and accounting systems in order to maintain positive funds control and prevent unmatched disbursements. Match each planned disbursement with a recorded obligation before payment is made, as described in [Chapter 1](#) of this volume.

1005 PROCEDURES FOR CONVENIENCE CHECKS

100501. General

A. In addition to the paragraphs below, the policies and responsibilities in sections 1002 and 1003, above, apply to the use of convenience checks.

B. Convenience check accounts may be established when it is necessary to conduct business with vendors that do not have the ability to process a purchase card. The convenience check account appears on the cardholder's statement of account and the AO's monthly billing statement as if it were a purchase card account. A convenience check account holder must have a separate purchase card account.

C. Convenience check accounts are provided by the card issuing bank in accordance with the terms of the contract. The card-issuing banks operate a convenience check writing system that allows DoD activities, including overseas locations, to make selected minor purchases and payments using checks to replace cash for official expenses when card products and other alternatives have been determined unusable. The check providers offer "help desk" assistance and reporting capabilities with a variety of reporting media and frequencies to provide oversight.

D. Only after evaluating all alternatives to accomplish the same purpose shall the use of convenience checks be determined to be advantageous to the DoD activity. Before using a convenience check, the paying agency shall make every effort to use the government purchase card to make necessary purchases. Each Component will issue instructions concerning the use of convenience checks.

100502. Purchase Card Issuing Bank Requirements

A. Provide a supply of checks to the designated convenience check account holder.

B. Process and pay the checks as they are presented through the U.S. check clearing system within established maximums and authorization parameters established by the sponsoring activity A/OPC for each individual account holder.

C. Issue account holder statements that contain a listing of all checks cleared through the end of the billing cycle.

D. Include a summary listing of checks cleared as a separate line item on the AO's billing statement.

E. Store cleared checks for audit and retrieval purposes in accordance with paragraph 100208, above.

F. Provide stop payment capabilities to DoD user activities.

G. Provide copies of cleared convenience checks in accordance with the terms of the contract.

100503. Printed Convenience Check Requirements

A. The checks shall contain standard preprinted information: "United States Government" "For Official Use Only", and "U.S. Government Tax Exempt." The checks shall include the maximum dollar limitation per check (i.e., \$2,500), as well as space for the date and the amount of the check. In addition, other standard preprinted information specific to the parent DoD activity is also included, i.e. activity name and address and the account holder's name. Only the named individual may issue these checks.

B. The checks shall be sequentially prenumbered, multiple copy documents (with a minimum of at least one copy for the account holder's records) to provide an audit trail for all transactions.

100504. Internal Revenue Service Form 1099 Miscellaneous Income Requirements. The DFAS will issue a 1099-MISC regardless of whether or not the using activity is serviced by the DFAS, if the data is provided to the DFAS. The preferred method of providing the information to DFAS is via its web site <https://dfas4dod.dfas.mil/systems/1099>. Convenience check account holders shall provide the following data to the DFAS: payee name, payee address, payment amount, payment date, check number, and the name of the issuing activity. Instructions for processing this information may be obtained by sending an e-mail request to cco.checks@dfas.mil indicating that the convenience check account holder needs detailed instructions.

100505. Procedures

A. Authorization for Convenience Check Account. Requests to establish an account for convenience checks first shall be justified (in writing) by the AO to the A/OPC.

1. All organizations authorized to maintain purchase card convenience checks shall hold an active (in good standing) purchase card account before approval of a purchase card convenience checking account is requested, authorized, and granted.

2. The number of convenience check accounts shall be kept to a minimum and should, in most cases, be limited to no more than one checkbook per activity. The AO shall provide a written justification to the A/OPC to establish an additional convenience check account.

B. Method for Establishing Convenience Check Accounts. Normal account set-up procedures shall be followed to establish the convenience check account product. Obtain the appropriate application forms from the A/OPC. Submit the completed application through the DoD activity's existing purchase card hierarchical structure, including AO and A/OPC. A separate checking account holder and AO shall be identified for each purchase card checking account.

C. Conditions for Using Convenience Check Accounts

1. Convenience checks shall be issued for the exact payment amount, with a prohibition on splitting purchases, payments or other amounts among more than one check to keep amounts below \$2,500 or other assigned limit (if less than \$2,500).

2. Convenience checks shall be used for official government purposes only. The checks may be used for purposes not related to small purchases when FAR Part 13; DFARS Part 213; the current contract; and this Regulation authorize such expenditures.

3. Convenience checks shall not be issued as an "exchange-for-cash" vehicle to establish cash funds.

4. As appropriate, convenience checks may be mailed; however, internal controls must be in place to avoid duplicate payments to payees.

5. As appropriate, convenience checks may be used for payments in overseas transactions up to \$10,000 in support of contingencies declared by the Secretary of Defense.

6. The issuing activity is responsible for all administrative costs associated with the use of convenience checks. Fees associated with the use of convenience checks are specified in the contract. At DoD Component election, the costs associated with the purchase of convenience checks may be: (a) accounted for as part of the purchase price or (b) treated separately as an administrative cost of the issuing activity.

7. Convenience checks are negotiable instruments and shall be stored in a locked container, such as a safe, where only the account holder has access. Checks will be accounted for appropriately to prevent loss, theft, or potential forgery.

D. Reconciliation of Convenience Check Accounts

1. The convenience check account holder shall reconcile the billing statement as part of the monthly billing cycle against his or her retained records of issuance in accordance with the standard payment practices established for the purchase card in paragraph 100402 of this chapter.

2. The A/OPC annually shall audit each convenience checking account. Each audit shall include a sample of convenience check transactions, to include the review of all supporting documentation. Include a spot examination of convenience checks written to individuals for propriety. The A/OPC shall report suspected cases of fraudulent, abusive, improper, or questionable transactions to the HA.

E. Disputes. The dispute process is not available for convenience checks. Any concerns over a purchase made with a check shall be resolved directly with the merchant. The account holder is solely responsible for securing restitution and/or credit on disputed purchases.

F. Stop Payment. Stop payments may be effected on convenience checks, provided the convenience checks have not been posted to the account. The card-issuing bank shall provide the ability to stop payment on a convenience check within 24 hours, as requested by the A/OPC. The stop payment fee shall be charged directly to the account.

CHAPTER 10**ANNEX 1****PURCHASE CARD CERTIFICATION STATEMENTS**

- The Purchase Card certifying officer certification statement shall read:

“Pursuant to authority vested in me, I certify that this invoice (billing statement) is correct and proper for payment, except as may be noted herein or on supporting documents.”

Authorized Certifying Officer Signature and Date
(or GAO approved electronic signature)

- The AO (as Accountable Official) certification statement shall read:

“I certify that the items listed herein are correct and proper for payment from the appropriation(s) or other funds designated thereon or on supporting vouchers, and that the payment is legal, proper and correct, except as may be noted herein or on supporting documents.”

Authorized Approving Official Signature and Date
(or GAO approved electronic signature)

- The Cardholder (as Accountable Official) certification statement shall read:

“I certify that, except as may be noted herein or on supporting documents, the purchases and amounts listed on this account statement:

- (1) Are correct and required to fulfill mission requirements of my organization.
- (2) Do not exceed spending limits approved by the RM.
- (3) Are not for my personal use or the personal use of the receiving individual.
- (4) Are not items that have been specifically prohibited by statute, by regulation, by contract or by my organization.
- (5) Have not been split into smaller segments to avoid dollar limitations.”

Authorized Cardholder Signature and Date
(or GAO approved electronic signature)

CHAPTER 10**ANNEX 2****APPROVING OFFICIAL (AO) MONTHLY REVIEW CHECKLIST**

This annex includes a checklist for AO use in completing the cardholder billing statement reconciliation, receipt and acceptance, and dispute procedures described in paragraphs 100403, 100405, and 100407 of this chapter. The checklist is intended as a reference tool for use in examining cardholder purchase card and convenience check statements from the card-issuing bank. There is no record retention requirement for this document.

Account Number: _____ Account Type: _____

Approving Official Name and Date: _____

Billing Statement Date: _____

<u>Review Steps</u>	<u>Date Completed</u>
1. Obtain the cardholder statement, supporting documentation, and certification from the cardholder.	_____
2. Review the itemized purchases for each cardholder to determine whether all transactions were necessary government purchases in accordance with the FAR, DFARS, and all other government agency policy and procedures.	_____
3. Reconcile supporting documentation with details on the billing statement. Also, review for adequacy the purchase log entries for those transactions.	_____
4. Resolve any questionable purchases with the cardholder and, if necessary, advise the cardholder to dispute transactions with the card-issuing bank. Annotate disputed transactions on the billing statement.	_____
5. Review past transactions that were certified for payment without proof of receipt and acceptance, to confirm acceptance and receipt with the cardholder. If receipt cannot be confirmed, then direct the cardholder to dispute the transaction.	_____
6. Annotate suspected cases of fraudulent, improper, abusive, or questionable purchases on the billing statement and report such matters to the A/OPC and HA. Investigate and resolve those transactions.	_____
7. Retain a copy of the billing statement and originals of supporting documentation (e.g., approvals, receipts, logs, invoices, and delivery orders).	_____
8. Sign or execute electronically the AO and certifying officer certification statements and forward the certified statement to the payment office.	_____

